benefit from 8 per cent growth rate during the last four years and about 10 per cent of all-India rural population is living at just Rs. 9 per day; and

(b) if so, the reasons therefor and steps taken to uplift them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The poverty ratio at the national level which was at 36 per cent (as per Uniform Recall Period method) in 1993-94 fell to 27.8 per cent in 2004-05 as per the provisional data of the latest NSS 61st Round. Poverty ratio (as per Mixed Recall Period method) which was at 26.1 per cent in 1999-2000 fell to 22 per cent in 2004-05 as per the NSS 61st Round. Thus the oveall poverty ratio has come down over the years. Despite the high rate of growth of GDP and the efforts of the Government at poverty alleviation, the per capita consumption expenditure of 9.9 per cent of the rural population in the country is less than Rs. 9.00 per day or Rs. 270 per month in 2004-05 as per the NSS 61st Round.

Government has adopted a three pronged strategy for reducing poverty, namely, (i) acceleration of economic growth with focus on sectors which are employment intesive; (ii) human and social development through provision of basic minimum services; and (iii) targeted anti-poverty and employment programmes which include Swarnjayanti Gram Swarozgar Yojana, Sampoorna Grameen Rozgar Yojana, Swarana Jayanti Shahari Rozgar Yojana, Jawaharlal Nehru National Urban Renewal Mission, National Rural Employment Guarantee Scheme, Integrated Housing and Slum Development Programme and Indira Awaas Yojana. Besides, under the Targeted Public Distribution System (TPDS) and various welfare schemes, Government has also been providing food grains (rice and wheat) to Below Poverty Line (BPL) families at subsidized prices.

Acts of industrial sector on inflation

772. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that according to him, the rise in the rate of inflation is attributed to acts of industrial and business sector;

(b) if so, the details thereof; and

(c) the concrete steps being taken to bring down the rate of inflation to a level of 3.5 per cent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Sir, the rise in prices of certain commodities which is taking place is due to a variety of factors ranging from hardening of international prices to mismatch in the domestic demand-supply situation.

(c) Government has taken various measures to control inflation. These include reduction in prices of petrol and diesel, allowing import of wheat and pulses at zero duty rates, banning export of pulses and wheat, reduction of import duty on palm group of oils and several other commodities, banning of futures trading of wheat, rice and some pulses and stringent regulatory measures for forward trading in various other commodities. Government is also monitoring the price situation on a regular basis.

Disinvestment in REC

†773. SHRIMATI SUSHMA SWARAJ: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have decided to disinvest in the Rural Electrification Corporation (REC);

(b) if so, the percentage of said disinvestment; and

(c) the manner in which the disinvestment proceeds would be utilized?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) On 6th July, 2006, Government decided to keep all disinvestment decisions and proposals on hold, pending further review, which is yet to be completed. Rural Electrification Corporation Limited proposes to make a public offering of equity equal to 10% of its pre-issue paid-up equity capital. Government would piggy-back with an 'Offer for Sale' of 10% out of its shareholding.

(c) The proceeds from the 'Offer for Sale' of Government equity in REC will be credited to the corpus of the National Investment Fund (NIF). The NIF corpus will be of a permanent nature and will be professionally managed

†Original notice of the question was received in Hindi.